

Dated: September 24, 2021



UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF ARIZONA

Minute Entry

Daniel P. Collins
Daniel P. Collins, Bankruptcy Judge

Hearing Information:

Debtor: SWIFT AIR, LLC
Case Number: 2:12-BK-14362-DPC Chapter: 11
Date / Time / Room: MONDAY, SEPTEMBER 13, 2021 02:30 PM 6TH FLOOR #603
Bankruptcy Judge: DANIEL P. COLLINS
Courtroom Clerk: RENEE BRYANT
Reporter / ECR: N/A

Matters:

- 1) FIRST AND FINAL APPLICATION FOR COMPENSATION AND REIMBURSEMENT OF FEES FOR ATTORNEYS FOR THE TRUSTEE
R / M #: 991 / 0
- 2) TRUSTEE'S STATUS REPORT AND MOTION REGARDING: (I) PAYMENT OF TRUST FEES AND COSTS; (II) APPROVAL OF CLAIM REGISTER; AND (III) OTHER RELATED ISSUES
R / M #: 994 / 0

Appearances:

DALE SCHIAN, ATTORNEY FOR GALLAGHER AND KENNEDY
MICHAEL ROSS, ATTORNEY FOR GALLAGHER AND KENNEDY
ROBERT J. MILLER, ATTORNEY FOR MORRIS ANDERSON & ASSOCIATES LTD LITIGATION TRUSTEE
KHALED TARAZI, ATTORNEY FOR MORRIS ANDERSON & ASSOCIATES LTD LITIGATION TRUSTEE
DAN DOOLEY
RYAN ANDERSON, ATTORNEY FOR DAVID REAVES
KEITH L. HENDRICKS, ATTORNEY FOR SCOTT S. GOLDBERG, CODY J. JESS

UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF ARIZONA
Minute Entry

(continue)... 2:12-BK-14362-DPC

MONDAY, SEPTEMBER 13, 2021 02:30 PM

Proceedings:

Mr. Miller discusses the motion at docket entry 994. He reports that changes were made to the claims register and he is confident it can now go out to the class 4 creditors. He asks the Court for authorization to notice the claims register on a negative notice basis.

The Court asks if there is any opposition to the claims register being noticed on a negative notice basis.

COURT: HEARING NO OPPOSITION, IT IS ORDERED AUTHORIZING THE CLAIMS REGISTER TO BE NOTICED ON A NEGATIVE NOTICE BASIS.

Mr. Miller continues with his argument. He discusses the order entered by Judge Viola in the Schian Walker receivership case. He asks that the Court defer from implementing Judge Viola's order until a further hearing on the Gallagher and Kennedy fee application. Mr. Miller provides a line-by-line summary of the chart listed in the motion at docket entry 994 (page 5). Mr. Miller responds to the Court's questions.

Mr. Schian addresses the Gallagher and Kennedy fee application.

Mr. Hendricks notes the issues with standing, authority, and reasonableness of fees.

COURT: IT IS ORDERED ESTABLISHING OCTOBER 4, 2021, AS THE DEADLINE FOR MR. HENDRICKS TO FILE HIS BRIEF ON STANDING. IT IS ORDERED THAT MR. SCHIAN IS TO FILE HIS RESPONSE NO LATER THAN OCTOBER 18, 2021. IT IS ORDERED THAT MR. HENDRICKS FILE HIS REPLY NO LATER THAN OCTOBER 25, 2021. IT IS FURTHER ORDERED SETTING A CONTINUED HEARING ON NOVEMBER 1, 2021, at 1:30 p.m.

FOR ALL MATTERS SET FOR HEARING ON NOVEMBER 1, 2021, AT 1:30 P.M, PARTIES ARE DIRECTED TO APPEAR BY VIDEO CONFERENCE USING THE FOLLOWING ZOOM LINK:

ZOOM <https://www.zoomgov.com/j/1615716801?pwd=Z3Y1VzFnRjFsaE5lOVowdkVtK3VBUT09>>

Meeting ID: 161 571 6801

Passcode: 031852C

THE COURT EXPECTS ALL PARTIES TO APPEAR BY VIDEO. IF A VIDEO CONNECTION IS NOT POSSIBLE, PARTIES MAY APPEAR VIA AUDIO ONLY BY CALLING 877-873-8018, ACCESS CODE 7217155.

Mr. Schian addresses the question of should the Court abstain on anything relative to Mr. Schian's authority to compromise. He argues his position. Mr. Schian states this matter should be handled in the receivership Court.

Mr. Hendricks states the standing issue has to be resolved first.

Mr. Anderson states the receiver is not objecting to the Gallagher and Kennedy fee application. He responds to the Court's questions.

Mr. Dooley offers his comments. He expresses his concern for the damage done to the economic trust.

Mr. Miller addresses the fee enhancement motion. He believes this matter should ride the calendar subject to

UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF ARIZONA
Minute Entry

(continue)... 2:12-BK-14362-DPC

MONDAY, SEPTEMBER 13, 2021 02:30 PM

call.

The Court summarizes the issues related to the Gallagher and Kennedy fee application.

Mr. Ross notes there is no dispute about the Gallagher and Kennedy appellate fees. He asks the Court to resolve that portion of the fee application today.

Mr. Hendricks states his position.

COURT: FOR THE REASONS STATED ON THIS RECORD, IT IS ORDERED APPROVING APPELLATE FEES OF \$267,611 TO GALLAGHER AND KENNEDY.